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SECURITY INFORMATION

JAN 23 1952

TENTATIVE OUTLINE AND BRIEF

22 January 1952

NIE-49: Sweden's Position in the East-West Conflict

- 1. Rationale. Estimate requested by A-2 through the JIC. We discussed it with Col. Hussey, A-2, who said it arose because of a cleavage in the Air Staff over Scandinavia's importance in event of war. We believe, therefore, that the key questions to be answered are:
 - a. How important is Sweden to NATO defense?

b. How firm is Sweden's "neutrality" policy and under what circumstances might it change?

might it change:

c. What would be the advantages and disadvantages nocument No swedish neutrality or belligerency in event of war?

- 2. Tentative draft outline (omitting secondary points): NEXT REVIEW DATE:

 AUTH: HR 70-2
- I. SWEDEN'S STRATEGIC IMPORTANCE Will vary between cold war, wartime defensive and offensive phases.
 - a. Geographic: Screens Norway and Denmark and acts as buffer, role in Baltic, role in offensive and defensive air operations.
 - b. Economic and Scientific: Resources are substantial highly developed industry. 92-93% of trade is with West export controls deny resources to Sovbloc. Economically vulnerable due to extreme reliance on imports, especially coal and oil.
 - c. Political: Influence on Norway, Denmark, and especially Finland.
 - d. Military Strength: Largest in Scandinavia, but serious weaknesses 9-10 month conscription period, lack of experience, logistical weaknesses, etc.
 - e. Overall importance of Sweden to NATO will depend on role assigned to Scandinavia in NATO strategic plans; if Scandinavia is to be held as one of our key bastions in Europe, then a belligerent Sweden, as probable key to Scandinavia, is almost vital to us, at least until Norway and Denmark are defensible themselves.
- II. SWEDEN'S PRESENT NEUTRALITY POLICY AND PROSPECTS FOR CHANGE.
 - a. Firmness and popularity of present neutrality concept. Swedes strongly pro-western and anti-Soviet but even more firmly attached to neutrality.
 - b. Little prospect of shift from neutrality during peacetime, except conceivably in event Soviet occupation of Finland. Russo-Swedish relations have been deteriorating, however, and Swedes becoming more cooperative in minor ways.

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- c. In event of war, Swedes would prefer to remain neutral. However, if an assault on Sweden appeared imminent or if Norway were attacked, gov't might feel Sweden must enter war to avoid being isolated, provided it was convinced West could come to Sweden's defense. Some possibility Swedes might give commitment to this effect.
- d. Swedes would certainly fight if attacked. If neutral and isolated, they would gradually give in to Soviet pressure short of actual occupation.

III. ADVANTAGES AND DISADVANTAGES TO US OF SWEDEN'S POSITION.

- a. In cold war. Substantial disadvantages in Swedish neutrality (esp. lack of joint planning and US military aid), but none crucial.
- b. In event of war. Swedish neutrality would be sharply disadvantageous to the West. Unless NATO strong enough to defend Norway and Demmark, Swedish neutrality might critically hamper their defense. Once Norway and Demmark lost, Swedes would be forced to make economic and other concessions to Soviets, which would be major loss to West.
- c. If Sweden <u>declared war</u> when Norway and Denmark were attacked or was itself attacked simultaneously, large Soviet forces would be diverted and there would be a major gain for the West. Sweden would be valuable initially as a defensive bastion and later as an offensive base.
- d. Once NATO becomes strong enough to hold at least <u>Norway</u>, Swedish neutrality will be less disadvantageous so far as Scandinavian defense is concerned. As NATO assumed the offensive, however, Swedish neutrality would benefit the USSR.

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